

ARSA: The Voice of Aviation Maintenance 2018 Legislative Priorities

According to the most recent Oliver Wyman/ARSA economic analysis, the U.S. civil aviation maintenance industry employs more than 277,392 people and generates \$44.1 billion in annual economic activity. (To see the industry's impact in each state, go to bit.ly/2n8GuFT.)

ARSA is the eyes, ears, and voice of the aviation maintenance industry in the halls of Congress. ARSA's legislative efforts complement our regulatory expertise as our team tirelessly fights for your interests on Capitol Hill.

Our top priority is ensuring that aviation policy is based on facts, not fear. New laws and regulations should genuinely improve safety, not micromanage or undermine industry competitiveness. The association's legislative team ensures that members of Congress understand the consequences of their actions and keeps you informed about what is happening in Washington. We do this by:

- Engaging lawmakers in our nation's capital and their home states;
- Encouraging grassroots action and involvement by ARSA members;
- Raising the legislative and regulatory profile of the aviation maintenance industry;
- Offering technical and legal expertise to analyze and respond to government actions; and
- Promoting the industry's benefits and safety record among key audiences.



To learn more, go to avmro.arsa.org/about and watch our seven-minute public television documentary about the aviation maintenance industry.

Legislative Priorities: 115th Congress, Second Session

Federal Aviation Administration (FAA) Reauthorization:

Congress must enact a new, long-term FAA authorization law to provide certainty for the agency's budget and improve the quality of oversight. Aviation maintenance companies rely on the FAA for congressionally-mandated certifications and inspections. Failing to provide the agency adequate resources results in administrative delays, ultimately undermining the U.S. aviation industry's competitiveness. Congress should also seize the opportunity presented by FAA reauthorization to address the aviation maintenance industry's technician shortage by creating a pilot program to incentivize businesses, schools, and government to jointly seek creative workforce solutions; enhancing the value of repairman certificates; and directing the Government Accountability Office to more closely examine causes and effects of, and solutions to, the technician shortage. Congress should also include language in the FAA bill reinstating the right of repair stations to voluntarily and unilaterally surrender their certificates.

Refrain from Imposing Unnecessary Regulatory Mandates:

One of biggest long-term threats to the aviation maintenance sector is government intrusion through overregulation. The basic nature of the aviation industry demands that, for a company to be successful, safety and security must be the paramount concerns. Operators and airlines will not do business with companies that put passengers and valuable business assets (i.e., aircraft) at risk. Put simply: safety is good business. Congress and the FAA must understand that government and the industry share the same safety goals and should refrain from micromanaging through unnecessary agency action.

Encourage Bilateral Aviation Safety Agreement (BASAs):

BASAs are government-to-government agreements that reduce regulatory compliance costs for businesses by allowing cooperation between aviation safety regulators to enhance efficiencies and prevent duplicative oversight. BASAs also give U.S. companies access to foreign customers. More than 1,400 U.S. repair stations are approved to work on European-registered aircraft and related components under the U.S.-European Union BASA. According to a recent ARSA study, American repair stations pay a 300 percent mark-up when applying for certification by “foreign” civil aviation authorities (CAAs) when the home country does not have a BASA with the United States. This additional cost burden undermines profitability, particularly for smaller companies. To reduce compliance costs, improve access to foreign customers, and make oversight more efficient, Congress should encourage the FAA to enter into more BASAs and refrain from enacting legislation that disrupts current international aviation accords.

Invest in a Skilled and Dynamic Aviation Workforce:

The aviation maintenance sector is growing and hiring. Unfortunately, the industry faces a shortage of qualified technical workers. More than 80 percent of the respondents to a recent ARSA survey said that their company had difficulty finding qualified workers to fill technical positions over the past two years. Congress must channel resources to train a new generation of skilled workers. It can begin by sharpening the focus of career and technical education programs through the Carl D. Perkins Act and Higher Education Act. By modernizing these laws, Washington can create new opportunities for collaboration between employers, government agencies and educational institutions to build programs that align with business needs while reinforcing the importance of applied skills. (Also see discussion above re: FAA reauthorization.)

Reform the Regulatory Process:

When done well, regulations help mitigate risk, hold businesses to high standards and promote best practices. ARSA has a long history of engaging constructively with the FAA and other regulators in the United States and internationally to help them better understand the maintenance industry, craft good regulations and improve oversight. But regulation isn’t always done well. Regulators often fail to take into account competing mandates from within and from other agencies. They are slow to respond to economic and technological changes. There is little retrospective analysis to see whether rules have accomplished their objectives. Thus, long-term consequences of new regulations and the cumulative impact of all regulations can choke an industry. ARSA supports legislation, including the Regulatory Accountability Act, the REINS Act, and other legislation that will improve the rulemaking process and oversight.

Invest in Airport Infrastructure:

The American Society of Civil Engineers has given the nation’s airport infrastructure a grade of “D”. The Airports Council International has estimated that airports will require almost \$100 billion for capital improvements over the next half decade. Congress must look for fiscally-responsible ways to expand America’s airport capacity to improve passenger mobility, enhance system efficiency, and ensure the continued growth and health of the aviation industry.

Improve Competition for Department of Defense Maintenance Contracts:

The Department of Defense can save hundreds of millions – if not billions – of dollars by more widely adopting commercial best practices. One way to do so is to improve competition for maintenance on DOD’s fleet of civilian derivative aircraft by more readily accepting FAA-approved Parts Manufacturer Approval (PMA) parts and Designated Engineering Representative (DER) repairs. Doing so will cut costs, improve readiness, reduce bureaucratic duplication, and expand government contracting opportunities for small and medium aviation maintenance businesses.

To learn more about the aviation maintenance industry and its economic impact in your state, go to avmro.arsa.org or contact ARSA Executive Vice President Christian Klein at 703.739.9543 or christian.klein@arsa.org.